

Specific Instructions for the Sales and Use Tax Return

Please note: This return must be filed even if there are no taxable sales to report.

Important: Effective July 1, 2004, if your business is engaged in selling extended cable tv services, fabrication services, video rentals, telecommunication services or is engaged in rent-to-own transactions, DO NOT report these transactions on this return. You must file a "Service Provider Tax Return" to report the service provider tax on these transactions.

Line 1 - Gross Sales. Enter the total amount of **ALL** sales and services, including sales for resale and all other exempt sales. **Do not include** in this amount sales tax charged to customers, nor the value of returned merchandise for which a full credit or refund was given to the customer.

Line 2 - Exempt Sales. Enter the total amount of sales on which no tax was charged. Include in this line items sold with a valid resale certificate, wholesale sales, items sold to a consignment shop or group shop, services that were not taxable, items sold to entities that hold a valid Permanent Exemption Certificate issued by Maine Revenue Services, or customer refunds that were reported as sales in previous periods.

Line 3 - Industrial Energy Sales. If you have sold fuel or electricity to a manufacturing facility, enter 95% of those sales here.

Line 4 - Sales Subject to Tax. Subtract lines 2 and 3 from line 1. This amount represents all taxable sales that are detailed in lines 5 through 9.

Line 5 - Prepared Food Sales. Enter the total sales for the period that represents sales of food and drink prepared by the retailer. Multiply this amount by 7% and enter the result in line 5A.

Line 6 - Sales Subject to 5% tax. Enter all sales subject to 5% tax. Multiply this amount by 5% and enter the result in line 6A.

Line 7 - Long Term Rentals of Automobiles. Enter all taxable rentals of automobiles for 12 months or more. Multiply this amount by 5% and enter the result in line 7A.

Line 8 - Rentals of Lodging. Enter the total taxable rentals charged for living quarters in hotels, motels, rooming houses and tourist or trailer camps. Multiply this amount by 7% and enter the result in line 8A.

Line 9 - Short Term Rentals of Automobiles. Enter the total taxable rentals charged for short-term rentals of automobiles (rentals for less than 12 months). Multiply this amount by 10% and enter the result in line 9A.

Line 10 & 10A - Total lines 5 through 9 and 5A through 9A. Total of lines 5 through 9 must agree with line 4 (Sales Subject to Tax)

Line 11 - Industrial Energy Purchases. Enter 5% of your purchases of fuel and electricity used at a manufacturing site on which the Maine sales tax or its equivalent has not been paid. Multiply this amount by 5% and enter the result in line 11A.

Line 12 - Other Taxable Purchases. Enter the amount of taxable purchases, other than fuel and electricity reported in line 11, on which Maine sales tax or its equivalent has not been paid. This includes items that were withdrawn from inventory for use by the business, items purchased in a non-taxing jurisdiction for use in Maine, and items that were purchased with a Maine Resale Certificate that have been deemed taxable. Multiply this amount by 5% and enter the result on line 12A.

Line 13 - Tires and Lead-Acid Batteries. Enter the total number of tires and lead acid batteries sold during this period that are subject to the recycling assistance fee. Multiply this amount by \$1.00 and enter the result on line 13A.

Line 14 - Total Due. Total lines 10A through 13A.

Line 15 - Credit Carry Forward from Prior Period. If your prior return resulted in a credit balance **and you have received a notice from Maine Revenue Services confirming this credit**, enter the amount of your credit here.

Line 16 - Credit for Sales Tax Paid on Goods Resold. If you have sold goods during this period on which you have paid your supplier a sales tax, enter the amount of sales tax paid on these goods here.

Line 17 - Amount Due. Subtract lines 15 and 16 from line 14. (If the result is a credit amount, see line 18.)

Line 18 - Credit Due. If the result of subtracting lines 15 and 16 from line 14 is a credit, enter that amount here. This credit will automatically be forwarded to the next open period. If you wish this credit to be refunded to you, you must check the box in line 18.

Make check or money order payable to the STATE TREASURER. Send your remittance with your return postmarked by the due date printed on the top of the return. Please record your registration number on your check. Failure to file a return on or before the due date will result in interest and penalty charges. Billings will be issued shortly after the processing of your return.